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Holistic Knowledge Management: Towards Eliminating Ethical Dilemmas of Knowledge Ownership and Sharing

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Abstract

Knowledge management is more than a mere accessory to business strategy; it occupies a pivotal position in organizations that operate in the knowledge-based economy. In order to realize an effective knowledge management system it is imperative to ensure an environment of ethical coherence, which is impossible until the dilemmas regarding knowledge ownership and sharing are resolved. This essay approaches the ethical resolution on the basis of a constructivist and humanistic epistemology wherein the invariable tacit dimension of knowledge and the resultant dualistic dialogic discourse are acknowledged. It proposes the achievement of ethical harmony, insofar as holistic knowledge management is concerned, through the channel of seven organizational dimensions, which through the realization of organizational commitment and trust are deemed to generate an ethically paradigmatic harmony across all cultural strands of the organization, viz., starting from the visionary attitude of its leadership, through the organizational norms, values, and beliefs, down to the perception of every individual knowledge worker.

Keywords: Knowledge management, Tacit knowledge, Constructivism, Shared vision, Organizational commitment, Organizational trust

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Introduction

An organization, as Grant (1996) says, serves as the fertile ground for knowledge generation through providing the platform of common language, shared context, shared meaning and understanding, commonality up to a certain level of specialization, and a mutual adjustment that serves to integrate individual knowledge domains. Hence, knowledge management view of an organization assumes a significant value proposition from the perspective of organizational philosophy. According to Nahapiet and Ghoshal (1998), knowledge management implications go well beyond organizational structure and strategy, shifting the focus from the historically dominant theme of value appropriation to one of value creation. This essay advocates the conception of knowledge management not as an independent entity in itself but a faculty of the organizational model that connects, harmonizes, and provides alignment to the various organizational dimensions – its stakeholders, vision, mission, and strategy.ⁱ

The need for knowledge management lies in the fact that the horizons of knowledge broaden continuously and, in the context of business organizations, have led to constantly shifting business scenarios which traditional organizational structures, owing to their structural and procedural rigidity, have failed to assimilate. The essence of a knowledge management system lies in its conception and handling of organizational knowledge. In this respect, a knowledge management system takes the shape of an organizational mind, which may be viewed as the organizational power of integrating individual capabilities into a wider horizon of organizational context. Tsoukas (1996) views the conception of organizational mind as a distributed cognitive system where individuals construct their actions while envisaging a social system of joint actions and inter-relate constructed action with the system that is envisaged.

Effective knowledge management enhances organizational flexibility and adaptability (Curado, 2006). From the perspective of this essay, knowledge management is not deemed effective until it incorporates a holism in its nature and operation; the holism being underscored by the definition of knowledge management as a

philosophy of organizational management that combines the core elements of organizational culture, strategic objectives, individual capabilities and needs into a cohesive system that embodies coherent value perceptions and, hence, enhances the effectiveness and productivity of organizational processes while aiming towards perpetual growth through the enhancement of knowledge in itself. This study, therefore, envisages arriving at an ethico-epistemological holistic model of knowledge management in the organizational context through identification of aspects that would resolve the dilemmas related to knowledge ownership and sharing. This research is intended as an initial step towards the overarching vision of realizing a self-sustaining, self-enhancing, ethically oriented, knowledge-based society—one in which knowledge is valued for itself and, in recognition of the unique skills embodied in each human person, the diversity of our social context forms an enduring basis for continual enrichment of human society.

Methodology and Literature Survey

This essay involves qualitative analysis of ethical dilemmas and attempts resolution on an ideological basis. Knowledge management paradigms have achieved standardized modelling in organizational contexts and a critique is undertaken with respect to prevalent dilemmas in organizational epistemology. Extensive literature survey was conducted—which included both classic and contemporary sources—through ProQuest ABI/INFORM and JSTOR databases using the keywords knowledge management, ethics, and dilemmas. On the basis of extant literature, it was established that effective knowledge management cannot be realized without facilitating the resolution of dilemmas regarding knowledge ownership and sharing.

Extant literature demonstrates that organizations make a grave mistake when they pursue knowledge management projects with the sole focus on quantified benefits (Fahey and Prusak, 1998) without a qualitative understanding of the deeply personalized nature of knowledge (Aidemark, 2009). The dominant value conception of knowledge serves as a platform of convergence of organizational capital (Van de Poel & Royakkers, 2007). Knowledge management is an ingredient for social cohesion (Land, Amjad &

Nolas, 2005) and the resultant socio-cultural conception of an organization, which implies the significance of social capital, encompasses individual, cultural, as well as normative aspects of the organization through the cognitive, relational, and structural dimensions (Nahapiet & Ghoshal, 1998).

Knowledge is capacity built through experiential learning (Senge, 2009) and, hence, bears significant humanistic dimensions (Nonaka, 1994; Holsapple & Joshi, 2004; De Long & Fahey, 2000; Drucker, 1994; Prahalad & Hamel, 1990). Tacit knowledge is an ineffable, yet indisputable, component of human knowledge (Polanyi, 1962; Sveiby, 2009). Hence, tacit knowledge is defined as that knowledge the awareness of whose performance is higher than the awareness of the knowledge itself. Zhenhua's (2003) analysis of tacit knowledge highlights the impossibility of complete knowledge codification, and Szulanski's (1996) notion of stickiness emphasizes the difficulty in its transfer. Consequently, tacit knowledge is an inherent problematic area in terms of ownership perceptions (Baskerville and Dulipovici, 2006) and, hence, is inevitably the epicentre of knowledge-based dilemmas in the organizational context (Evans & McKinley, 2010).

Knowledge sharing, owing to the underpinning of tacit dimension, embodies the nature of a social exchange (Andolšek, 2011) and, hence, engenders ethical presuppositions (Wasko & Faraj, 2000). Thus, it requires not just face to face interaction, but other similarities like a common language or code of communication, shared conventions and norms, and a personal connection between the partners owing to a past history of successful partnership or informal interaction (Gertler, 2001). For Lin (2007), tacit knowledge sharing is an ethical act in itself, from the perspective of the collectivist view of knowledge, and tacit sharing is facilitated by distributive justice, procedural justice, and cooperativeness, being mediated through organizational commitment, as well as instrumental and expressive ties mediated through mutual trust between co-workers.

Knowledge ownership and sharing dilemmas become a matter of ethical dilemma when knowledge is perceived as a platform for communitarian good, wherein organizations are seen as communities of people that serve causes beyond individual self-

interests. Hence, to the extent that organizations embody the communitarian outlook, its individuals are ethically obligated to espouse the dimension of organizational knowledge ownership. Andolsšek (2011) asserts that though organizations primarily operate in an economic sphere, the processes within them go well beyond mere economic transactions. According to him, in an organization the processes of social exchange and economic exchange are intertwined. This is reiterated by Bock and Kim (2002) who observe that knowledge sharing is a process of social interaction that could be explained through a joint economic and social exchange theory – an economic exchange theory that stresses on extrinsic motivations, i.e., a self-interested rational agent participates in the exchange when the rewards outweigh the costs, and a social exchange theory driven by intrinsic rewards that embody value and engender feelings of obligation, gratitude, and trust. The solution is to establish organizational commitment (Kim & Mauborgne, 1991) and organizational trust (Tschannen-Moran & Hoy, 2000) and to facilitate a mutually constitutive relationship between them.

Hypothesis, Analysis, and Proposition

On the basis of centrality of tacit dimension of knowledge, this essay hypothesizes a central role played by organizational commitment and trust. It is evident from the nature of personal commitment that it is unenforceable through authority or force, and, hence, the essay proceeds to propose seven organizational facets that ought to be exercised in order to realize holistic knowledge management.

The Imperative of Organizational Commitment and Trust

Knowledge insofar as it underpins capacity embodies an inherent tacit dimension. This is applicable to both individual and collective scenarios: in an individual it is implicit in his or her skills and expertise, and in the collective it lies in the social fabric and extent of synergy manifest in the group. According to De Long and Fahey (2000), the tacit dimension facilitates the constitution of the group and manifests its ability to collaborate openly and effectively. Thus, the tacit dimension of organizational knowledge may be said to

underpin the channels that facilitate the integration of human and social capital.

Recognition of the tacit dimension in organizational knowledge necessitates a constructivist basis to organizational epistemology, thus, negating, to a large extent, the objectivist conception that has, more often than not, led towards a commoditizing mindset. In the constructivist model, knowledge is seen both as a means and an end, where, as Dalkir (2005) suggests, both the fluidity of the tacit dimension and the formality of the explicit dimension are acknowledged. Knowledge is the practice as well as the product, the implication of which is that individuals also ought to be treated as an end whilst being perceived and employed as the means of knowledge production. Individuals, hence, hold the status of being both the possessors and processors of knowledge.

Lin's (2007) research indicates that interpersonal trust and organizational commitment are prominent factors that influence tacit knowledge sharing. Commitment signifies endorsement on the part of the individual, while interpersonal trust presupposes an acknowledgement of the person of the individual in a collective context. Organizational commitment enables individuals to transcend their self-interested inclinations in pursuit of communally oriented ends, and the commitment, when exercised on the part of the organization, leads to the creation of a humanistic environment that serves to infuse a socio-cultural focus within organizational goals.

Commitment and trust mutually constitute each other. Trust is the essence of organizational social capital insofar as it fosters openness in communication. Organizational trust presupposes care. De Long and Fahey (2000) believe that trust between various aggregate entities in an organization significantly influences the flow of knowledge between and amongst them, as well as into various organizational repositories. According to Nahapiet and Ghoshal (1998), interpersonal trust is a lubricant to cooperative behaviour, and to that extent, trust forms the basis for knowledge exchange related transactions.

The Seven Drivers to Organizational Commitment and Trust

Based on the imperative of organizational commitment and trust in ensuring holistic knowledge management, the following factors are viewed as key drivers in creating an environment that embodies the capability of harnessing individual commitment along with evoking interpersonal trust.

Transformational Leadership

The leadership in an organization plays a pivotal role insofar as it forms the guiding light in setting the course for the organization's strategy, structure, and culture. An important facet of able leaders is their ability to play the role of stewards. Leaders set the ethical direction for an organization (Derr, 2002). Holsapple and Joshi (2004) indicate that leadership bears primary influence on knowledge management conduct. It is both a basis and a catalyst for effective knowledge management through practices such as setting examples, mentoring, engendering trust and respect, and instilling a cohesive culture.

Leaders, owing to the idiosyncratic credit endowed upon them by virtue of their transcendental persona, enjoy the leeway needed to experiment as well as the authority to drive change. In this respect, transformational mode of leadership assumes significance over the directive, transactional, or laissez faire type of leadership style. While transactional culture focuses towards self-interested goals, transformational leadership aims at developing an environment of shared values and context. Transformational leadership leads to a mutual enhancement of motivation and morality (Aronson, 2001). An able transformational leader articulates a clear vision, fosters the acceptance of collective goals, and provides a framework of support and stimulation for individual efficacy (Tschannen-Moran & Hoy, 2000).

Shared Vision

Organizational vision is the ontological starting point for the organization insofar as it influences every facet of the organization. Hence, in order to incorporate a holism in knowledge management system, its integration with the organizational vision is imperative. Senge (2009) believes that a shared vision, i.e., an organizational

vision endorsed by all stakeholders, is a very powerful force as it creates a commonality that can provide coherence to divergent perspectives and, hence, provide the alignment necessary to derive best results out of empowerment.

An occasion of shared vision implies an endorsement on the part of the stakeholders. Endorsement entails commitment insofar as the individual's perception is free from coercion and deception. In order that an organizational vision inspires commitment, it ought to: (1) appeal to the inherent ethical perspective of each participant (or stakeholder) and ensure a minimum degree of autonomy; (2) not overemphasize the use of technology; (3) be transcendent and transcendental at the same time, and (4) be not coded into rigid rules. Roles should be flexible, and standards should be explicit.

Culture of Trust and Sharing

Organizational culture embodies the interactive dynamics of an organization that form the basis of its social capital. A well defined culture formalizes the working environment through establishment of minimum working standards, sets a common framework, creates uniformity of context, and facilitates seamless interoperability. Interoperability is imperative in creating a platform of shared meaning and context. Dalkir (2005) affirms that culture bears significant influence on knowledge management through the notion of trust insofar as it ensures professional interaction between individuals. Goffee and Jones (1996) enunciate two dimensions of organizational culture, namely, sociability and solidarity that indicates the levels of cohesiveness among individuals in an organization. Sociability is the measure of friendliness among individuals, characterized by high levels of unrequited reciprocity and, hence, fosters teamwork. Solidarity portrays mutual interests and shared goals leading to organizational commitment.

Middle-up-down Hierarchy

While control and authority flow strictly vertically in an organization, informal social capital predominantly runs horizontally. In other words, formal flow – the structural capital – is vertical and, informal flow – the social capital – is horizontal.

Knowledge generation, which is based on human capital, is managed and moderated, in an organizational context, by the matrix of structural and social capital. While social capital enhances human capital, structural capital formalizes and moderates it.

Prahalad and Hamel (1990) highlight that strictly vertical organizational structures tend to function in silos and, hence, impede the pooling of organization-wide resources. A hierarchically dispersed and conceptually organized structure, advocated by Nonaka (1994) as middle-up-down management, is a hybrid model that inherits the professionalism and notion of division of responsibilities from the top-down management system, viz., the hierarchical system, and an individually anchored autonomy from the bottom-up system.

Fairness, Transparency, and Procedural Justice

Fairness precedes trust. Fairness perceptions are linked to distributive or procedural justice and, hence, form the basis of trust between organizations and its employees. Inequity can be perceived as exploitation. According to Kim and Mauborgne (1991), perceptions of fairness in an organizational context enhance cognitive confidence in the environment and leads to feelings of belongingness and loyalty. This is because fairness endows a sense of procedural justice, which espouses intellectual and emotional confidence on the part of the individual. Intellectual confidence relates to the individuals' intellectual worth being acknowledged, and emotional confidence lies in the acceptance of individuals as valued members of the group. While emotional confidence evokes a sense of long-term affiliation with the organization or community, intellectual confidence inspires openness to share one's knowledge. Employees at all levels in an organization place great importance on the procedural fairness through which decisions are arrived at, especially those that influence them or their domains, to the extent that outcome satisfaction is derived either through favourable results or perception of fair procedures (Kim & Mauborgne, 1991).

Joint Ownership of Knowledge

Knowledge and capabilities are mutually interrelated – knowledge enhances the capacity for action, and the resulting capability can render the pursuit of knowledge more effective. In this respect, when driven by the notion of organizational core competency, individual learning complements as well as constitutes organizational learning and, hence, presupposes a basis of reciprocal commitment between the individual and the organization. Prahalad and Hamel (1990) view the core competencies of an organization as the faculty that enables collective learning with a basis of deep commitment on the part of the individuals.

Knowledge may be perceived as embodying the paradoxical nature of serving both public good and private interest at the same time. The implication of this paradox is the problematic aspect of knowledge ownership and adopting an information semi-commons perspective of knowledge is seen as achieving the balance where individuals, though maintaining self-ownership perceptions, view knowledge as contributing to the public good. This ought to evoke an ethical obligation that would foster the commitment towards knowledge generation and sharing.

Role of Technology as Facilitator

Technological aids and tools are merely facilitators and not the drivers for knowledge management processes. Fahey and Prusak (1998) emphasize that technology is an admirable tool for information organization and distribution but can never, on its own, embody the rich interactivity that is inherent in human dialogue. Nahapiet and Ghoshal (1998) suggest that knowledge is created through two modes: incremental and radical. The former is the process of discovery through combining previously unconnected elements while the latter is development of an altogether novel method of combination. In summary, knowledge is generated on the basis of available information as well as the tacit and serendipitous capabilities of knowledge workers. In this respect, two technological imperatives are envisioned for facilitating knowledge management:

1. To be a platform for enhanced knowledge sharing: where technology enables enhanced modes of communication, analysis, research, and interaction.
2. To be the channel for richer knowledge explication: where technology facilitates design of innovative media that enable better expression of tacit knowledge.

Conclusion

The development of commitment and trust, while being mutually constitutive, also rests in a reciprocal relationship between the organization and its individuals. Commitment is not enforceable, and has to be engaged through the will of the individuals and/or groups. Endorsement on the part of the individuals is a key aspect of holistic knowledge management paradigm insofar as the constructivist paradigm is concerned. It is the discerned belief of the authors that the practice of the aforesaid seven principles creates an organizational environment that inspires commitment, evokes trust and fosters openness within individuals and groups that form part of an organization. It has to be noted that implementation of the above seven principles necessitates granular as well as systemic changes. Changes in leadership perceptions and technology standpoint may boil down to a specific set of action items to be summarily implemented, while the cultural and structural changes enjoin tectonic shifts affecting the organization as a whole and, hence, have to be organically and gradually imbibed.

Holistic knowledge management, owing to its communitarian focus and knowledge value perception, avoids ending up being merely a knowledge hoarding system, or as the market phrase goes, a data warehousing system. The paradigm shift, as proposed by this essay, is not an overhaul of the system as much as it is the need to revisit the epistemological horizon in organizations towards embodying socio-cultural inclusivity. This research leads us to a position of integrating pragmatic view of knowledge, which serves the organizational dynamic of innovation, with a constructivist perception that incorporates the ethical dimension. This engenders a synergistic effect – a thematic commonality, as

per Dalkir (2005) – with respect to organizational knowledge creation, where individual and organizational learning are achieved complementarily.

Knowledge generation and sharing are mutually constitutive activities, i.e., sharing of knowledge enhances synergistic creativity of the group and, hence, facilitates further knowledge generation, which, in turn, insofar as holistic knowledge management paradigm applies, engenders a better awareness towards sharing. When the knowledge management paradigm embodies a socio-cultural framework that enables synergistic association of diverse individualities and channels the association towards a focused vision, it becomes a platform for enhanced creativity. This facilitates the realization of the organization's power as a faculty of distributed cognition, thus, providing the necessary ground for knowledge-driven organizations.

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ⁱ The knowledge management reference here is to the paradigm of knowledge management as a whole and not to the tools and technologies that are paraded in its name. It is the authors' discerned belief that technological tools are facilitators of knowledge management processes and the system ought not to be exclusively based on them. A knowledge management system built with a focus on technology alone, i.e., using tools as the foundation is merely a form of database management and not knowledge management.